

29 SEP 1971

CIA Seeks Men For Laotian War, McCloskey Says

Washington Bureau of The Sun

Washington -- Representative Paul N. McCloskey (R., Calif.) yesterday accused the Central Intelligence Agency of recruiting American mercenaries to fight in Laos.

The accusation was based on information from an electrical engineer who reported he was told at an Oakland (Calif.) employment agency that such jobs were available at \$1,000 a week.

Not Verified

Mr. McCloskey, a critic of the administration's war policies who will challenge President Nixon in the New Hampshire primary, admitted he personally had not checked out the charge.

Independent inquiry suggested the incident indeed took place, but the employment agency president said he doubted whether his Oakland office manager, since fired, would have mentioned either mercenaries or the CIA.

Clarence C. Holben, of Lafayette, Calif., the engineer, insisted that he did.

Contacted at his home, Mr. Holben recalled visiting the Oakland office of Overseas Services in April or May and being told he could earn \$1,000 a week working for Air America, an ostensibly private airline operated by the CIA, handling logistical support for guerrilla operations in Laos.

Worked At Laboratory

Until June 30, Mr. Holden was employed at the Lawrence Radiation Laboratory in Livermore which is run by the University of California.

Discouraged by the interviewer's comment that "I might come back in a box," Mr. Holben said he never asked for detailed job specifications but "got the picture of running around with a gun slung over your shoulder."

Richard Lester, president of the Los Angeles-based Overseas Services, said it was "unlikely any office manager would even know what Air America does for a living."

He said the company places about 1,000 persons a year in jobs in 134 countries. It has filled slots for Air America, he added, but only pilots and [aviation] technicians, not troops.

"McCloskey is blowing smoke," Mr. Lester added.

Almost An-Aside

Mr. McCloskey's charge was made at a breakfast meeting with reporters yesterday during which he criticized the administration for "concealment and deception" in its relations with Congress.

At one point, almost as an aside, he observed that "we caught the CIA in Oakland recruiting mercenaries to fight in Laos."

He seemed surprised when the reporters pressed him for details, conceding he had not followed through on the allegation because "it's so consistent with their [the CIA's] procedures."

It developed the information had been sent not to Mr. McCloskey but to Representative Jerome R. Waldie (D., Calif.) in a letter dated July 11 from a constituent who knew Mr. Holben.

A spokesman for Mr. Waldie said as far as the congressman was concerned, the letter contained "unverified information" and that he had turned it over to Mr. McCloskey for checking.

C.I.A. IS ACCUSED BY REP. McCLOSKEY

Recruits U.S. Mercenaries
for Laos, He Says

By JAMES M. NAUGHTON
Special to The New York Times

WASHINGTON, Sept. 28—Representative Paul N. McCloskey Jr. of California said today that the Central Intelligence Agency was recruiting Americans to become combat mercenaries in Laos.

"We caught the C.I.A. a couple of months ago recruiting people in Oakland," he said.

Officials of the intelligence agency privately dismissed the charge.

Mr. McCloskey, a candidate for the Republican Presidential nomination, made the allegation to reporters during a breakfast meeting at which he asserted that the Nixon Administration habitually engaged in "concealment and deception."

The charge was based on the account of a job-seeking engineer from California who told of being offered "\$1,000 a week and a box to come home in" when he answered a newspaper advertisement for overseas work. Mr. McCloskey conceded that he had not made an attempt to verify the allegation since learning of it in July.

The engineer, Clarence C. Holben of Lafayette, Calif., said in a telephone interview today that he went last April to the Oakland branch of Overseas Services, a Los Angeles-based job placement company, after finding that he was to be laid off by the Atomic Energy Commission's radiation laboratory in Livermore.

Decided to Stay Home

He said that the branch manager had told him he could make "real money" if he would sign on with Air America, a flight charter company that works for the Intelligence Agency in Southeast Asia. Mr. Holben said he was told that if he took the job he would actually be working for the C.I.A. He added he turned down the chance because, "at 47 I can't visualize myself running around with grenades and

According to Mr. Holben, the job was only one of several suggested by Overseas Services, whose Oakland representative pointed out a number of places on a map and said, "we've even placed people at the [United States] Embassy in Moscow."

At the Oakland office of Overseas Services today, the present manager, Kenneth McDonald, said it was "news to me" and that he had "never seen anything for the C.I.A."

But Mr. McDonald, who took over the office only two weeks ago, said he could not discount the possibility that Mr. Holben's account was correct. He said that he himself once had sought a job as a pilot with Air America with the understanding that "they have some divisions that get a little rough once in a while." He said he was rejected because he wears glasses.

"I don't know what's wrong with McCloskey," Mr. McDonald added. "People are shooting at other people all over the world."

He said his predecessor in the Oakland office, whom he identified as Grant Bryan, was recently dismissed and could not be located. Richard Lester, president of Overseas Services, said he did not know where to find Mr. Bryan.

Mr. Lester said that his company had helped to place hundreds of pilots and technicians with Air America, one of 1,000 or more American companies to which his concern submits resumes for job applicants. "But never a mercenary," he said.

Officials of the C.I.A. declined to speak for the record, but one official commented privately of Mr. Holben and his account: "What would we do with mercenaries in Laos? All the fighting there is done by Meo tribesmen. Is he Meo tribesman?"

Mr. Holben's account was first related to Representative Jerome R. Waldie, Democrat of California, by a constituent acquainted with the engineer. Mr. Waldie passed it on to Mr. McCloskey.

Mr. Holben said that neither Congressman had got in touch with him. He added that reporters were lucky to find him today because he was leaving California tonight for a new job — running a sporting-goods store in Lake Havasu City, Ariz.

STATOTHR

28 SEP 1971

CIA Recruiting Mercenaries For Laos, McCloskey Says

By PAUL HOPE
Star Staff Writer

Rep. Paul N. McCloskey Jr., charged today that the Central Intelligence Agency is recruiting American mercenaries to fight in Laos.

McCloskey, a candidate for the Republican presidential nomination, also accused the Nixon administration of practicing "concealment and deception" and claimed that "truth in government" is a major issue in his campaign.

The California congressman indicated, however, that if he does "poorly" in the nation's first primary in New Hampshire March 7, he will drop out of the race.

He said it would be "absurd" to ask people to give him financial support if he does not make an acceptable showing there.

Doubts About Nixon

McCloskey indicated he would be hard-put to support President Nixon as the Republican nominee. He said there is little evidence to indicate that Nixon in-

tends to withdraw all U.S. troops from Vietnam or to discontinue all American bombing in Southeast Asia.

He made the charge against the CIA while discussing Nixon's policy with a group of reporters.

"We caught the CIA in Oakland recruiting mercenaries to fight in Laos," he said.

Pressed to explain that, he said he had received a letter from a "constituent" — an unemployed aerospace engineer who was offered \$1,000 a week to fight in Laos.

When his office produced the letter, it turned out to be one to Rep. Jerome R. Waldie, D-Calif., with whom McCloskey recently made a visit to South-

Second-Hand Report

The letter was not from the engineer whom the CIA reportedly had tried to recruit but from another Californian who was relaying the incident to Waldie.

The letter writer, Donald H. Fibush of Walnut Creek, identi-

fied the man as Clarence C. Holben of Lafayette, Calif.

The letter, dated July 11, said in part:

"Do you know that 'Air America,' an arm of CIA, is hiring mercenaries to fight in Laos at \$1,000 per week for each mercenary?"

"I just learned about this a couple of weeks ago. A friend of mine is an engineer and one of the many long-term employees of the rad lab at Livermore who were laid off July 1.

"In looking for employment he answered an ad of an employment agency, Overseas Services, 1939 Harrison St., Oakland, and they offered him the employment as a mercenary in Laos paying '\$1,000 per week plus the box to bring him back.'

"... Today I telephoned him for verification and told him I would like to inform you. Even though he is somewhat a conservative Republican, he has been a strong dove for four or five years...

"I hope that you and/or McCloskey, at your instigation, will verify this information and use it to the fullest extent."

Investigation Sought

McCloskey said he has "asked a field representative to go over" and investigate the matter but that he hasn't done it yet.

"This is the first time I've ever heard of hiring mercenaries by ad," McCloskey said.

"It draws attention to the fact that Congress says there shall be no American ground combat troops in Laos. It raises the question of whether the CIA can recruit an army (and) at what point does an army of irregulars become an American army... At what stage does the CIA get authorized to fight a private war."

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